



NEWS RELEASE

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FOR IMMEDIATE RELEASE

GEORGIA MAN SENTENCED FOR DEFRAUDING 143 INVESTORS OUT OF MORE THAN \$5 MILLION

KANSAS CITY, Mo. – Todd P. Graves, United States Attorney for the Western District of Missouri, announced that a Georgia man was sentenced in federal court today after being convicted by a federal jury in an investment scheme that defrauded 143 Missouri and Kansas investors out of more than \$5 million.

Milo I. Worthing, Jr., 59, of Alpharetta, Ga., and Berkshire, England, was sentenced by U.S. District judge Fernando J. Gaitan, Jr., this morning to 10 years in federal prison without parole. The court also ordered **Worthing** to pay \$5,460,408.75 in restitution.

On June 16, 2004, **Worthing** was convicted on all counts of a 23-count federal indictment.

Worthing and co-defendant **Billie L. Brandenburg**, 65, of Ravenna, Ky., and others conspired from early 1995 through December, 2002, to induce individuals to invest in non-existent bank instrument and currency trading programs by promising exorbitant returns over short periods of time. As a result of this scheme to defraud, Graves said, co-conspirators obtained more than \$5 million from victim-investors in Higginsville, Osage Beach, and Richmond, Mo., and Mound City, Kan.

On April 27, 2004, **Brandenburg** pleaded guilty to his role in the conspiracy. **Brandenburg** also pleaded guilty to money laundering. A sentencing hearing for **Brandenburg** is scheduled for Feb. 25, 2005.

Three co-conspirators pleaded guilty in separate but related cases, Graves said. **Frank G. Dickey, Jr.**, 61, pleaded guilty to participating in the conspiracy. **James R. Stauffer**, 56, of Kansas City, Mo., and **Norma D. Manke**, 65, of Ellinwood, Kan., each pleaded guilty to securities violations. Sentencing hearings for **Dickey**, **Stauffer** and **Manke** are scheduled for

Feb. 11, 2005.

Graves explained that co-conspirators solicited potential investors to invest in programs through PARDS Group, Universal Trade Equities, and Universal Trust Europe, by falsely representing to potential investors that the programs were high yield and low risk, that the programs earned money through trading in the international community currency and bank instruments, and that investors would reap enormous returns on monies invested.

Co-conspirators converted the money they received from victim-investors to their own use, Graves said. They also used a portion of those funds to repay other individuals who had invested funds in order to induce new individuals to invest and to lull prior victim-investors into believing in the trading programs and believing that they were receiving a return on their investment. In order to conceal the scheme and encourage further investments, Graves said, they repaid certain victim-investors their principal and/or a return on their investment, a total of approximately \$385,079.

Co-conspirators also gave victim-investors fictitious reasons why the payment of investment returns and/or principal funds had been delayed, Graves said, to discourage victim-investors from taking steps to recoup their lost funds.

Co-conspirators told victims that their investments would earn up to 50 percent or greater in 45 days, and that the investments were guaranteed by security notes and by emeralds, rubies and/or other gemstones. They told victim-investors that the investments were safe, having little or no risk, and that the trading programs provided almost instant liquidity, excellent capital safety, and were highly protected and regulated by the International Chamber of Commerce rules governing international finance. Co-conspirators claimed that the trading programs were connected to the World Bank, the Federal Reserve Bank, and the International Monetary Fund.

Counts Two through Fourteen of the federal indictment charge **Worthing** with causing a series of financial transfers, totaling \$945,123.50, from victim-investors to the bank account of Universal Trade Equities in Atlanta, Ga.; Universal Trust Europe in London, England; and Marathon Trust in Kansas City, Mo., between March 10, 1998, and Oct. 23, 1998.

Counts Fifteen through Nineteen of the federal indictment are wire fraud charges that allege a series of facsimile transmissions of documents related to the execution of the conspiracy to defraud, between July 8, 1998, and Sept. 8, 1999.

Counts Twenty and Twenty-one of the federal indictment are mail fraud charges that allege the delivery of documents related to the execution of the conspiracy to defraud on Nov. 14, 1998, and April 9, 1999.

Count Twenty-two of the federal indictment charges **Worthing** and **Brandenburg** with transferring \$80,000 from the account of Marathon Trust in Kansas City, Mo., to the account of Universal Trust Europe in London, England, knowing that the money was derived from the wire fraud as alleged in Counts Fifteen through Sixteen.

Count Twenty-three of the federal indictment charges **Worthing** with transferring \$450,000 from the account of Marathon Trust in Kansas City, Mo., to the account of KenTrust, Inc., in Louisville, Ky., knowing that the money was derived from the wire fraud as alleged in Counts Fifteen through Sixteen.

This case is being prosecuted by Assistant U.S. Attorney Linda Parker Marshal. It was investigated by the U.S. Postal Inspection Service, the Internal Revenue Service and the Kansas office of the Securities Commissioner.

This news release, as well as additional information about the office of the United States Attorney for the Western District of Missouri, is available on-line at
www.usdoj.gov/usao/mow